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IN THE UNITED STATES DISTRICT COURT FOR THE  
 NORTHERN DISTRICT OF CALIFORNIA  
 SAN FRANCISCO DIVISION

CANDYCE MARTIN 1999 IRREVOCABLE	)	
TRUST, A PARTNER OTHER THAN THE	)	
TAX MATTERS PARTNER,	)	
	)	CV 08-5150 (PJH)
Petitioner,	)	
	)	
v.	)	
	)	STIPULATION FOR EXTENSION OF TIME
THE UNITED STATES OF AMERICA,	)	TO ANSWER AND CONTINUANCE OF
	)	CASE MANAGEMENT CONFERENCE
Respondent.	)	

IT IS HEREBY STIPULATED AND AGREED by the petitioner and respondent, pursuant to Local Rule 6-1(a), that (1) the respondent shall have an extension of time, from January 13, 2009 to March 16, 2009, in which to answer or otherwise respond to the petition, and (2) the case management conference, currently scheduled for March 26, 2009, should be continued to May <sup>28</sup>~~26~~, 2009, or such later date as the Court's schedule may allow.

1 The parties respectfully represent they have good cause for making this request:

- 2 1. This case is a complex federal tax proceeding. It arises from the Internal Revenue  
3 Service's proposed adjustments to the 2001 partnership tax return of First Ship, LLC, of  
4 which the petitioner is a member. As set forth in the Notice of Final Partnership  
5 Administrative Adjustment, attached to the petition, the IRS determined to disallow  
6 certain deductions "because they relate to transactions that lack economic substance, were  
7 prearranged and predetermined, and were without legitimate business purpose." Petition,  
8 ¶ 14(a). In addition, the IRS determined to impose certain penalties because the proposed  
9 adjustments "are attributable to a tax shelter for which no substantial authority has been  
10 established and for which there was no showing of reasonable belief by the partnership or  
11 its partners that the position taken was more likely than not the correct treatment of the  
12 alleged tax shelter and related transactions." Petition, ¶ 14(b). The petitioner contends  
13 that the positions taken on the partnership tax return were correct.
- 14 2. Counsel for the United States has requested the views of the IRS in the defense of this  
15 matter, and has also requested that the IRS provide her with the relevant administrative  
16 files in regards to this matter. Because of the complex nature of the case, the Service's  
17 views in this matter are subject to multiple levels of review and require additional time to  
18 complete. As of this date, counsel for the United States has not received the Service's  
19 views or the relevant administrative files.
- 20 3. This motion is not made for purposes of delay, but only to allow the United States  
21 sufficient time to obtain the information necessary for it to fully and accurately respond to  
22 the petition.

23 ///

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4. No prior extensions of time have been requested in this matter.

DATED this 12th day of January, 2009.

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DATED this 12th day of January, 2009.

CANDYCE MARTIN 1999 IRREVOCABLE  
TRUST, A PARTNER OTHER THAN THE TAX  
MATTERS PARTNER

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1/16/09

STIPULATION FOR EXTENSION OF TIME  
No. CV-08-5150 (PJH)